In the Matter of Application of CALIFORNIA-AMERICAN WATER COMPANY (U 210 W) for an order authorizing it to increase its rates for water service in its Los Angeles District to increase revenues by \$2,020,466 or 10.88% in the year 2007; \$634,659 or 3.08% in the year 2008; and \$666,422 or 3.14% in the year 2009.

A.06-01-005 (Filed January 9, 2006)

## NOTICE OF EX PARTE COMMUNICATION OF THE DIVISION OF RATEPAYER ADVOCATES

The Division of Ratepayer Advocates (DRA) submits this Notice in accordance with Rule 8.5 of the CPUC's Rules of Practice and Procedure.

At DRA's request, DRA met with Lester Wong, Advisor to President Peevey, on October 11, 2007, at the Commission's San Francisco offices. The meeting began at approximately 12:30 p.m. and lasted approximately fifteen minutes. Representing DRA were Diana Brooks (Program and Project Supervisor) and Natalie Wales (Staff Attorney). All communications were oral.

DRA stated that it is important to have an effective conservation rate design implemented in California-American Water Company's (Cal-Am's) Los Angeles District as soon as possible, and no later than the summer of 2008, but that DRA is flexible as to the process chosen to accomplish that goal. DRA recommended that assessment of the impact of any decoupling mechanism on the company's return on equity (ROE) should be transferred to I.07-01-022, the Conservation OII. DRA also stated that Commission consideration of a settlement agreement on a conservation rate design that is similar to the one already submitted by the parties may require modification of D.07-08-030.

Finally, DRA stated that the Commission could address a new settlement agreement in Phase 2 of this proceeding or in the Conservation OII, but that addressing it in this proceeding may now be most expedient.

Copies of this Notice can be obtained by calling or sending e-mail to Sue Muniz at (415) 703-1858 (e-mail - sam@cpuc.ca.gov).

Respectfully submitted,

/s/ NATALIE D. WALES

Natalie D. Wales Staff Counsel

Attorney for the Division of Ratepayer Advocates

California Public Utilities Commission 505 Van Ness Ave. San Francisco, CA 94102 Phone: (415) 355-5490

Fax: (415) 703-2262

October 16, 2007

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a copy of "NOTICE OF EX PARTE COMMUNICATION OF THE DIVISION OF RATEPAYER ADVOCATES" in A.06-01-005 by using the following service:

[ X ] E-Mail Service: sending the entire document as an attachment to all known parties of record who provided electronic mail addresses.

[ ] U.S. Mail Service: mailing by first-class mail with postage prepaid to all known parties of record who did not provide electronic mail addresses.

Executed on October 16, 2007 at San Francisco, California.

/s/ JANET V. ALVIAR
Janet V. Alviar

## NOTICE

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address and/or e-mail address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

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## Service List A.06-01-005

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